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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

EX PARTE

William F. Caton
Acting Secretary
Federal Communications Commission
Mail Stop 1170
1919 M Street, N.W., Room 222
Washington, D.C. 20554

Dear Mr. Caton:

Re: CC Docket 93-162

The attached information is being furnished in response to a request for information from Carol Canteen of the Tariff Division of the Common Carrier Bureau. Please associate this material with the above-referenced proceeding.

Two copies of this notice were submitted to the Secretary of the FCC in accordance with Section 1.1206(a)(1) of the Commission's Rules.

Please stamp and return the provided copy to confirm your receipt. Please contact me should you have any questions or require additional information concerning this matter.

Sincerely,



Attachment

cc: Carol Canteen

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241

FCC DATA REQUEST
Categorization of DC Power in 93-162

FEB - 1 1994

- 1) *In Pacific Bell's direct case response to 93-162, the DC Power Installation Function is said to be partitioned from C.O. floor space. What does this mean? In other words, is it partitioned from infrastructure, or from somewhere else?*

Costs and illustrative rates for the DC Power Installation Function are partitioned from two tariffed rate elements: the non-recurring rate element "Central Office Space, Establishment of Collocation Infrastructure Area per C.O." and the recurring rate element "Central Office Space, per 100 square feet." This is detailed in Appendix S of the direct case, "Reconciliation of Partitioned Elements with Unpartitioned Elements." Copies of the workpapers for our Anaheim office (ANHM01) are attached as an illustration and referenced below.

In section A, line 2 on page S.1, the non-recurring cost for DC power installation of \$4,481.22 is shown as a component of the infrastructure rate element. This amount reflects the cost of ironwork and cable racking for power cabling from the battery distribution fuse bay (BDFB) to the point where the collocation cage area begins (see page H.121).

The recurring cost identified for the DC Power Installation Function of \$14.63 (direct cost) is shown as a component of the 100 square foot floor space rate element in section C, line 9, page S.1. This monthly cost (line 18, page H.15) is generated from the investment surrogates calculated on lines 5 and 7, page H.67. The \$14.63 reflects only the maintenance, administrative, and overhead costs Pacific Bell expects to incur as a result of additional material and equipment being installed in its central office for collocators. Return, income taxes, and depreciation are not identified as costs because this material and equipment is recovered up front in non-recurring charges and therefore is not carried as investment on Pacific Bell's books. As page H.67 illustrates, the material and equipment is the ironwork and cable racking for power cabling (line 1) and the power cabling itself (line 4). As noted above, the ironwork and cable racking is part of the non-recurring infrastructure charge. The power cabling is recovered by the foot in the non-recurring DC power "Cabling and Placement" charge (refer to Pacific Bell's tariff).

In summary, for the DC Power Installation Function, Pacific Bell's illustrative rates are structured such that the capital cost of material and equipment is recovered up front, while the maintenance, administrative, and overhead costs are recovered over time.

- 2) *In its direct case response, Pacific Bell has non-recurring charges per 40-amp increment of DC power. Why are these included in the DC Power Installation Function rather than the DC Power Generation Function?*

Pacific Bell's non-recurring charges per 40 amps of DC power (see pages H.119 and H.120) relate to the placement of power cabling from the BDFB to the collocator's cage. This cabling is placed with each order for 40 amps of power. Pacific Bell interprets this as an installation function, but submits that it could also be interpreted as a non-recurring "generation" function, given that the power cabling carries power from the BDFB to collocator equipment.

**RECONCILIATION
OF PARTITIONED ELEMENTS WITH UNPARTITIONED ELEMENTS**

CENTRAL OFFICE: **ANHM01** **217 N. Lemon St., Anaheim**

**A ESTABLISHMENT OF COLLOCATION INFRASTRUCTURE AREA PER C.O.
(NON-RECURRING)**

	Direct Cost	Rate	SOURCE
<u>Unpartitioned Element</u>	\$36,283	\$37,352	2/16/93 Filing
<u>Partitioned Elements</u>			Lns 1 & 2 For each C.O.:
1 Common Construction, Non-Recurring	\$18,377.10	\$19,445.90	App C, Pgs 119 - 170
2 DC Power Installation, Non-Recurring	\$4,481.22	\$4,481.22	App H, Pgs 121 - 172
3 Security Installation, Non-Recurring	<u>\$13,425.00</u>	<u>\$13,425.00</u>	App M, Pg 67
TOTAL	\$36,283.32	\$37,352.12	Ln 1 + Ln 2 + Ln 3

**B CENTRAL OFFICE SPACE PER 100 SQUARE FEET
(NON-RECURRING)**

	Direct Cost	Rate	
<u>Unpartitioned Element</u>	\$15,597	\$16,064	2/16/93 Filing
<u>Partitioned Elements</u>			
4 Construction Provisioning, Non-Recurring	\$2,604.15	\$3,070.39	App D, Pg 3
5 Interconnector-Specific Constr., Non-Rec.	<u>\$12,993.12</u>	<u>\$12,993.12</u>	App E, Pg 6
TOTAL	\$15,597.27	\$16,063.51	Ln 4 + Ln 5

**C CENTRAL OFFICE SPACE PER 100 SQUARE FEET
(RECURRING)**

	Direct Cost	Rate	
<u>Unpartitioned Element</u>	\$684	\$750	2/16/93 Filing **
<u>Partitioned Elements</u>			For each C.O.:
6 Common Construction, Recurring	\$15.52	\$21.03	App C, Pgs 15 - 66
7 Interconnector-Specific Constr., Rec.	\$64.21	\$86.68	App E, Pg 4
8 Floor Space, Recurring	\$577.74	\$606.19	App F, Pgs 15 - 66
9 DC Power Installation, Recurring	\$14.63	\$19.87	App H, Pgs 15 - 66
10 Security Installation, Recurring	<u>\$12.34</u>	<u>\$16.18</u>	App M, Pgs 15 - 66
TOTAL	\$684.44	\$749.95	Sum Lns 6 thru 10

** Direct Cost = B.2 thru B.52, Ln 20 / 12 * 130 + B.53 thru B.103, Ln 17 / 12

RATE ELEMENT NAME: Central Office Floor Space Establishment of Infrastructure
- Partitioned

CENTRAL OFFICE: ANHM01 217 N. Lemon St., Anaheim		
DESCRIPTION	TOTAL COST	SOURCE
1 Power Cable Ironwork/Racking <i>Ironwork Exists</i>	\$4,481.22	Project Team (See Narrative)
2 Illustrative Rate	\$4,481.22	Ln 1

See Pages H.119 & H.120 for additional costs (which do not vary by C.O.) for this function.

NOTE

*This is a direct cost.
No overheads are added to contributed capital
which is recovered up front.*

93-162 WORKPAPERS

DC POWER INSTALLATION FUNCTION
Recurring

RATE ELEMENT NAME: Central Office Floor Space per 100 Square Feet - Partitioned

CENTRAL OFFICE:		
	ANHM01	217 N. Lemon St., Anaheim
Account Number	223210	SOURCE
Account Description	Digital Ckt	
Costs Factors		
1 Net Plant	0.0000	Not applicable
2 FCC RIT	0.0000	Not applicable
3 St/Fed Tax as a % of RIT	28.35%	Not applicable
4 Cost of Money	0.0000	Ln 1 * Ln 2 * (1 - Ln 3)
5 St/Fed Tax	0.0000	Ln 1 * Ln 2 * Ln 3
6 Depreciation	0.0000	Not Applicable
7 Repair & Maintenance	0.0143	1992 Company Study
8 Administration	0.0659	1992 Company Study
9 Overhead	0.0287	1992 Company Study
CO-SPECIFIC COSTS:		
(Per Collocator)		
10 Current Investment per Collocator *	\$2,742.99	See Pgs 67 thru 118
11 Equivalent Book Inv per Collocator *	\$2,189.13	For each C.O.
Annual Cost		
12 Cost of Money	\$0.00	Ln 4 * Ln 10
13 State & Federal Taxes	\$0.00	Ln 5 * Ln 10
14 Depreciation	\$0.00	Ln 6 * Ln 10
15 Repair & Maintenance	\$31.30	Ln 7 * Ln 11
16 Administration	\$144.26	Ln 8 * Ln 11
17 Total of Direct Costs	\$175.57	Sum(Ln 12...Ln16)
18 Monthly Direct Cost	\$14.63	Ln 17 / 12
19 Annual Overhead	\$62.83	Ln 9 * Ln 11
20 Annual Full Cost	\$238.40	Ln 17 + Ln 19
21 Monthly Fully Assigned Cost (Illustrative Rate)	\$19.87	Ln 20 / 12

* Lines 10 and 11 are investment surrogates which are used to generate appropriate maintenance, administration, and overhead expenses. The amounts are not booked as investment, but rather, are treated as contributed capital according to FCC rules.

RATE ELEMENT NAME: Central Office Floor Space per 100 Square Feet - Partitioned
(Back Up for Pages H.15 - H.66)

CENTRAL OFFICE: ANHM01 217 N. Lemon St., Anaheim

Power Cable Ironwork/Racking

DESCRIPTION	TOTAL COST	SOURCE
1 <u>Power Cable Ironwork/Racking for Central Office</u> <u>Ironwork Exists</u>	\$4,481.22	App H Non-Rec, by C.O.
<u>Power Cable Ironwork/Racking per Collocator</u>		
2 Number of Collocators, Long Term		4 Product Mgmt Estimate
3 Power Cable Ironwork/Racking per Collocator	\$1,120.31	Ln 1 / Ln 2
4 Power Run Provisioning, Midpoint Run	\$1,622.68	See Pgs H.119 & H.120
5 Current Investment (Surrogate), Account 223210	\$2,742.99	Ln 3 + Ln 4
6 Current Cost to Book Cost Ratio, Account 223210	1.253	1992 Company Study
7 Current Investment (Surrogate), Account 223210	\$2,189.13	Ln 5 / Ln 6

DC POWER INSTALLATION FUNCTION
Non-Recurring

RATE ELEMENT NAME: DC Power per 40 Amp Increment

DESCRIPTION	UNIT COST /UNIT	# UNITS	TOTAL COST
Engineering			
1 Facility Equipment Engineer	\$109.39 /Hour	0.5	\$54.70
2 TIES Engineer	\$126.22 /Hour	1	\$126.22
3 Detail Engineer	\$126.22 /Hour	1	\$126.22
4 Communications Tech	\$63.94 /Hour	1	\$63.94
5 Engineering Aide	\$87.81 /Hour	0.5	<u>\$43.91</u>
6 Subtotal			\$414.98
Set Up			
7 Contract Labor	\$38.50 /Hour	1	<u>\$38.50</u>
8 Subtotal			\$38.50
9 Total (Ln 6 + Ln 8)			<u>\$453.48</u>

RATE ELEMENT NAME: DC Power Cabling and Placement, 0 - 30 Feet

DESCRIPTION	UNIT COST /UNIT	# UNITS	TOTAL COST
Cable Placement			
10 Contract Labor	\$38.50 /Hour	1	<u>\$38.50</u>
11 Subtotal			\$38.50
Cable Material			
12 0 - 30 Feet	\$2.02 /Foot	15	<u>\$30.30</u>
13 Subtotal			\$30.30
14 DC Power Provisioning Cost per Foot ((Ln 11 + Ln 13) / Ln 12 Units)			\$4.59
15 Total Cost for Midpoint Run (Lns 6 + 8 + 11 + 13)			<u>\$522.28</u>

RATE ELEMENT NAME: DC Power Cabling and Placement, 31 - 60 Feet

DESCRIPTION	UNIT COST /UNIT	# UNITS	TOTAL COST
Cable Placement			
16 Contract Labor	\$38.50 /Hour	2	<u>\$77.00</u>
17 Subtotal			\$77.00
Cable Material			
18 31 - 60 Feet	\$3.52 /Foot	45	<u>\$158.40</u>
19 Subtotal			\$158.40
20 DC Power Provisioning Cost per Foot ((Ln 17 + Ln 19) / Ln 18 Units)			\$5.23
21 Total Cost for Midpoint Run (Lns 6 + 8 + 17 + 19)			<u>\$688.88</u>

H.119

Totals may not add due to rounding

93-162 WORKPAPERS

DC POWER INSTALLATION FUNCTION
Non-Recurring (continued)

RATE ELEMENT NAME: DC Power Cabling and Placement, 61 - 100 Feet			
DESCRIPTION	UNIT COST /UNIT	# UNITS	TOTAL COST
Cable Placement			
22 Contract Labor	\$38.50 /Hour	3	<u>\$115.50</u>
23 Subtotal			\$115.50
Cable Material			
24 61 - 100 Feet	\$6.28 /Foot	80	<u>\$502.40</u>
25 Subtotal			\$502.40
26 DC Power Provisioning Cost per Foot ((Ln 23 + Ln 25) / Ln 24 Units)			\$7.72
27 Total Cost for Midpoint Run (Lns 6 + 8 + 23 + 25)			<u>\$1,071.38</u>

RATE ELEMENT NAME: DC Power Cabling and Placement, 101 - 140 Feet			
DESCRIPTION	UNIT COST /UNIT	# UNITS	TOTAL COST
Cable Placement			
28 Contract Labor	\$38.50 /Hour	4	<u>\$154.00</u>
29 Subtotal			\$154.00
Cable Material			
30 101 - 140 Feet	\$8.46 /Foot	120	<u>\$1,015.20</u>
31 Subtotal			\$1,015.20
32 DC Power Provisioning Cost per Foot ((Ln 29 + Ln 31) / Ln 30 Units)			\$9.74
33 Total Cost for Midpoint Run (Lns 6 + 8 + 29 + 31)			<u>\$1,622.68</u>

RATE ELEMENT NAME: DC Power Cabling and Placement, 141 + Feet			
DESCRIPTION	UNIT COST /UNIT	# UNITS	TOTAL COST
Cable Placement			
34 Contract Labor	\$38.50 /Hour	5	<u>\$192.50</u>
35 Subtotal			\$192.50
Cable Material			
36 141 + Feet	\$13.42 /Foot	170	<u>\$2,281.40</u>
37 Subtotal			\$2,281.40
38 DC Power Provisioning Cost per Foot ((Ln 35 + Ln 37) / Ln 36 Units)			\$14.55
39 Total Cost for Midpoint Run (Lns 6 + 8 + 35 + 37)			<u>\$2,927.38</u>

H.120

Totals may not add due to rounding